



NEW YORK STATE SENATOR

Zellnor Myrie

Governor Signs Myrie Covid-19 Fraud Accountability Act

[Zellnor Myrie](#)

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BROOKLYN— Governor Kathy Hochul today signed **Senator Zellnor Y. Myrie's** **"COVID-19 Fraud Accountability Act"** into law. This legislation, written and

sponsored by **Senator Myrie (D-Central Brooklyn)**, sharply increases civil financial penalties for white-collar crime committed in connection with COVID-19 or other future disruptions of the normal marketplace. The bill was sponsored in the Assembly by **Assemblywoman Nily Rozic (D-Fresh Meadows)**.

"These past few years have been very challenging, not least because of pandemic-related frauds and scams perpetrated on innocent New Yorkers," **said Senator Myrie**. "Our new law sends a strong message: if you take advantage of people during difficult times, we will take strong civil action against you. I'm very grateful to Governor Hochul for signing this bill, and to my co-sponsor Assembly Member Rozic for getting this bill signed into law."

"During times of crisis, consumers are at higher risk of being scammed and defrauded," **said Assemblywoman Rozic, Chair of the Assembly Committee on Consumer Protection**. "This new law will ensure those who take advantage of New Yorkers at the times they are most vulnerable will be penalized heavily. Thank you to Governor Hochul for signing this important piece of legislation."

The new law increases civil financial penalties for white-collar crime committed in connection with COVID-19. The legislation defines "fraud in connection with an abnormal disruption of the market" in the General Business Law, and would increase penalties for white-collar crimes arising from the unique circumstances caused by the COVID-19 pandemic, as well as future emergencies and market abnormalities defined by law. The new penalties would be increased to three times the amount of any unlawful gain (or \$25,000, whichever is greater).

The Federal Trade Commission estimates that New Yorkers have lost over \$80 million to pandemic-related fraud since 2020. Earlier this year, the New York State Attorney General documented one COVID testing company falsely promising results in 48 hours but taking twice as long to deliver, and another guaranteeing 24 hour results that have taken more than five days. The Attorney General has also documented complaints of \$14 or \$25 COVID test kits being illegally sold for double or triple that amount.

"In normal times, we should not tolerate scams that target New Yorkers or their wallets. But at a moment when all of us are suffering the effects of this pandemic, we must make extra effort to deter fraud and punish it when it occurs," **concluded Senator Myrie**. "New York consumers should know state government has their backs during this time of vulnerability, and will strongly enforce our laws against

individuals and entities who seek to abuse their trust.”